

SUMMARY MINUTES

ABAG Finance and Personnel Committee Special Meeting
Thursday, April 20, 2017
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

ABAG Finance and Personnel Committee Chair Karen Mitchoff, Supervisor, County of Contra Costa, called the special meeting to order at about 5:10 p.m.

A quorum of the Committee was present at about 5:10 p.m.

Members Present

Karen Mitchoff, Supervisor, County of Contra Costa—Chair
Annie Campbell Washington, Councilmember, City of Oakland
Pradeep Gupta, Mayor, City of South San Francisco
Scott Haggerty, Supervisor, County of Alameda
Erin Hannigan, Supervisor, County of Solano
Julie Pierce, Councilmember, City of Clayton—*Ex officio*
David Rabbitt, Supervisor, County of Sonoma—*Ex officio*

Members Absent

David Cortese, Supervisor, County of Santa Clara
Greg Scharff, Mayor, City of Palo Alto

Staff Present

Brad Paul, Acting Executive Director
Kenneth Moy, Legal Counsel
Courtney Ruby, Finance and Administrative Services Director
Marti Paschal, Interim Assistant Director of Administrative Services
Mike Hurtado, Financial Services Director
Sheelagh Flanagan, Senior Advisor to ABAG FAN

2. PUBLIC COMMENT

The following individual gave public comment: Ken Bukowski.

3. COMMITTEE ANNOUNCEMENTS

There were no committee announcements.

4. APPROVAL OF ABAG FINANCE AND PERSONNEL COMMITTEE SUMMARY MINUTES OF MEETING ON MARCH 16, 2017

Chair Mitchoff recognized a motion by Scott Haggerty, Supervisor, County of Alameda, which was seconded by Julie Pierce, Councilmember, City of Clayton, to approve ABAG Finance and Personnel Committee summary minutes of meeting on March 16, 2017.

There was no discussion.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Haggerty, Mitchoff, Pierce, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Hannigan, Scharff.

The motion passed unanimously.

5. REPORT ON CONTRACTS BETWEEN \$20,000 AND \$50,000

Mitchoff requested staff to report on the cumulative amount of contract amendments.

Courtney Ruby, Finance and Administrative Services Director, presented the report on contracts between \$20,000 and \$50,000 from January to March 2017, including contract or contract amendments, as follows: Wilsey Ham in the amount of \$25,001; Ariel Okamoto in the amount of \$28,000; Ariel Okamoto in the amount of \$20,000 to \$60,000; Point Blue Conservation Science in the amount of \$19,200; Cornelius De Snoo in the amount of \$10,000; ICF Resources in the amount of \$12,839; Canopy in the amount of \$38,000; Contra Costa County, Department of Public Works, in the amount of \$40,000; and Frontier Energy in the amount of \$10,000.

Moy commented on contracts previously approved by the Executive Board.

Members discussed contract amendments between \$20,000 and \$50,000 reported as information to the committee or whether the Executive Board should take action; whether to direct staff to report on contract amendments that exceed the limits for committee or Executive Board review or action.

Members requested staff to consider and report back to the committee whether contract amendments that exceed the limits shall be reported to the committee or Executive Board for review or action.

Members discussed a policy change that directs staff to report on contract amendments that exceed the limits to the committee or Executive Board for review or action.

Members requested staff to include in the report on contracts additional explanations of the original amount of the contract, whether amendments are allowed, and the amount of the amendment or amendments for committee review.

Members requested staff to report back to the committee on enterprise unit process for budgeting and approval of contract changes.

6. UPDATE ON PROPOSAL TO CREATE A NEW CONDUIT FINANCING JOINT POWERS AUTHORITY

Kenneth Moy, Legal Counsel, reported on the proposal to create a new conduit financing joint powers authority, including status of FAN governance, proposed Authority governance, potential conflict of interest, and Proposition 218.

Members discussed whether Executive Board or committee members can decline to serve as authority board members; provisions for errors and omissions and insurance; composition of FAN executive committee, and Authority board and executive committee; checks and balances.

Ruby commented on internal controls, audit report, increase signature authority, and increase monitoring.

Members directed staff to present the FAN Executive Committee audit report for committee review.

Members discussed FAN and ABAG internal controls.

Moy reported on the conflict of interest, process for requesting an Attorney General opinion, and the joint powers authority governance provisions.

Members discussed including errors and omissions language in the Bylaws.

Members directed staff to seek the Attorney General opinion regarding the Authority and conflict of interest.

Chair Mitchoff recognized a motion by Julie Pierce, Councilmember, City of Clayton, which was seconded by David Rabbitt, Supervisor, County of Sonoma, to direct staff to seek an Attorney General opinion regarding the Authority and conflict of interest.

There was no discussion.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Haggerty, Hannigan, Mitchoff, Pierce, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Scharff.

The motion passed unanimously.

7. REPORT ON PROPOSED BUDGET AND WORK PROGRAM FOR FISCAL YEAR 2017-2018, INCLUDING MEMBERSHIP DUES

Brad Paul, Acting Executive Director, reported on the program descriptions in the proposed Budget and Work Plan for Fiscal Year 2017-2018, including a Draft Integrated Regional Planning Program and Draft Communications and Member Services work plans.

Courtney Ruby, Finance and Administrative Services Director, reported on highlights of the budget in the proposed Budget and Work Plan for Fiscal Year 2017-2018, including multi-year grants, operating budget, blended overhead rate, federal and state and other revenues, proposed revenues and expenses by program, proposed membership dues.

Members discussed overhead rate; asset in the Metro Center building; balance sheet, assets and liabilities; Audited Financial Statements; late receipt of document; budget details and revenues; salary and benefits, and full time employees, and 60 positions; employee classifications.

Moy commented that the Bylaws require the Executive Board forwarding the Proposed Budget and Work Program to the General Assembly 45 days before the meeting of the General Assembly.

Members discussed the ability to recommend changes at the General Assembly and finding a better and timely way to receive documents in order for committee members to review.

Chair Mitchoff recognized a motion by Julie Pierce, Councilmember, City of Clayton, which was seconded by Pradeep Gupta, Mayor, City of South San Francisco, to recommend to the Executive Board to forward and recommend General Assembly adoption of the Proposed

Budget and Work Program for Fiscal Year 2017-2018, including membership dues, and with amendments as reported by staff, i.e., the amendment reflects an approximately \$33.5 million reduction in revenue and corresponding expenses related to the San Francisco Estuary Partnership due to misclassification of multi-year grants being fully attributed to Fiscal Year 2017-2018, and subject to minor clerical adjustments by staff to the 2017-2018 budget but not to the 2017-2018 membership dues.

There was no public comment.

The aye votes were: Campbell Washington, Gupta, Haggerty, Hannigan, Mitchoff, Pierce, Rabbitt.

The nay votes were: None.

Abstentions were: None.

Absent were: Cortese, Scharff.

The motion passed unanimously.

Members thanked staff for their work on the Proposed Budget and Work Program.

8. ADJOURNMENT

The meeting adjourned at about 6:18 p.m.

Submitted:

/s/ Courtney Ruby, Finance and Administrative Services Director

Date Submitted: May 10, 2017

Date Approved: May 18, 2017

For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913 or FredC@abag.ca.gov.